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COMMISSIONERS

October 30, 1997

Mr. William F. Caton  
Acting Secretary  
Federal Communications Commission  
1919 M Street, N.W., Room 222  
Washington, DC 20554

RECEIVED  
OCT 31 1997  
FEDERAL COMM

Re: CC Docket 96-45, FEDERAL-STATE JOINT BOARD ON  
UNIVERSAL SERVICE

Dear Mr. Caton:

Enclosed is an original and twelve copies of the Motion of the Maine Public Utilities Commission for an Extension of Time to file Forward-Looking Economic Cost Studies, in the above docket.

Please date stamp one copy and return in the self-addressed stamped envelope.

Sincerely,

Dennis L. Keschl  
Administrative Director

DLK/pjc

No. of Copies rec'd  
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Before the  
Federal Communications Commission  
Washington, D.C. 20554

In the Matter of )  
 )  
Federal-State Joint Board )  
on Universal Service )

RECEIVED  
(OCT 31 1997)  
CC Docket No. 96-45  
FEDERAL RESERVE

**MOTION FOR EXTENSION OF TIME**  
**FOR FILING FORWARD-LOOKING ECONOMIC COST STUDIES**

The Maine Public Utilities Commission (MPUC) respectfully submits this Motion for Extension of Time to File Forward-Looking Economic Cost Studies for federal universal service support purposes. The MPUC seeks an extension from February 6, 1998, to May 6, 1998. In support of its request, the MPUC states as follows:

1. Paragraph 248 of Federal Communications Commission (FCC) Order No. 97-157 granted state commissions the opportunity to submit forward-looking economic cost studies for determining federal universal service support for their respective states if the states made such an election by August 15, 1997. The state cost studies are to be submitted to the FCC on or before February 6, 1998.

2. In Paragraph 246 of its Order No. 97-157, the FCC announced its intention to choose a forward-looking cost methodology platform by the end of 1997, thus providing the states with an opportunity to review the FCC's proposed platform before filing their cost studies on February 6, 1998.

3. On August 5, 1997, the MPUC notified the FCC of its intent to conduct its own cost study. This election by the MPUC was done, in part, as a "place holder" because the MPUC had not yet had an opportunity to review the FCC's proposal or conduct its own cost study proceeding. The MPUC recognized that the input values for any universal service cost model may vary significantly from state to state, and thus it may be desirable to use state-specific inputs even if the FCC's proxy model is used to calculate federal USF support.

4. On August 4, 1997, the MPUC began an adjudicatory proceeding to examine forward-looking economic cost studies. The docket was scheduled to be completed by February 6, 1998, so that the MPUC could make its filing with the FCC by that date. However, due to the complexity of the issues, the docket will not be complete by February 6, 1998, but instead is expected to be complete by April 15, 1998.<sup>1</sup>

5. The FCC has recently stated that it will not be adopting a complete cost model, including the selection of input values, before February 6, 1998.

6. The MPUC will be unable to completely review either the FCC proposal or the models proposed by the participants in its cost study proceeding before February 6, 1998.

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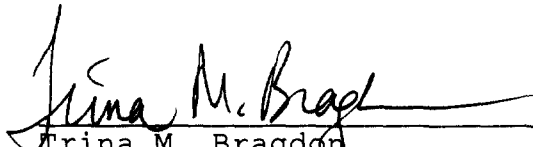
<sup>1</sup> A copy of the most recent procedural order in that docket is attached to this Motion for reference. While the MPUC expects to complete the proceeding by mid-April, the MPUC seeks an extension until May 6 to avoid the need for a further request for extension should minor additional delays develop.

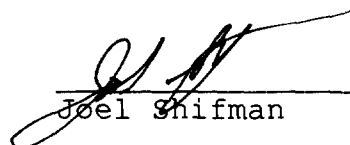
7. The MPUC believes it should be given adequate time to produce a thoroughly developed cost study as well as adequate time to review the FCC proposal. Accordingly, the MPUC requests a 90-day extension, until May 6, 1998, in order to complete its cost study docket and review any proposal that may be released by the FCC in the interim.<sup>2</sup>

8. An extension of the February 6, 1998 deadline until May 6, 1998 will allow the MPUC to provide the FCC with more accurate and complete comments on the appropriate study and input levels that should be used to compute federal USF support.<sup>3</sup>

Wherefore, MPUC respectfully requests that the FCC grant its Motion for Extension of Time to File Forward-Looking Economic Cost Studies from February 6, 1998, to May 6, 1998.

Respectfully submitted,

  
Trina M. Bragdon  
Staff Attorney

  
Joel Shifman

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<sup>2</sup> On October 6, 1997, the National Association of Regulatory Utility Commissioners (NARUC) filed a request for an extension of time for the states to file their costs models from February 6, 1998 to September 1, 1998. The MPUC endorses and supports NARUC's request.

<sup>3</sup> The parties to the proceeding (Bell Atlantic, AT&T Communications of New England, Inc., MCI Communications, the Telephone Association of Maine, and the Office of the Public Advocate) do not object to this request for an extension.

STATE OF MAINE  
PUBLIC UTILITIES COMMISSION

Docket No. 97-505

PROCEDURAL ORDER

PUBLIC UTILITIES COMMISSION  
Investigation of Total Element  
Long-Run Incremental Cost (TELRIC)  
Studies and Pricing of Unbundled  
Network Elements

October 28, 1997

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On October 23, 1997, a case conference was held in the above-captioned matter. At the conference, Staff announced that the procedural schedule in this matter would be extended to accommodate both the Staff and the parties in developing a more complete record in this proceeding. This Order will memorialize the rulings set forth at the conference as well as the schedule for the proceeding.

**The FCC February 6, 1997 Deadline**

The Federal Communications Commission (FCC), as part of its Universal Service Proceeding (Docket No. 96-45), requires that states which opted to conduct their own forward-looking cost studies for universal service purposes file their studies on or before February 6, 1997. See FCC Order No. 97-157 at ¶ 248. This Commission has indicated to the FCC that it intends to file its own cost study and therefore, is required to file that study on February 6, 1997. To that end, the Commission initiated this docket and issued a very aggressive procedural schedule with the hope that the proceeding could be completed in time to meet the February 6th deadline. However, it has become apparent that the current schedule does not allow either the parties or the Staff adequate time to evaluate the complex issues of this proceeding.

Accordingly, the Commission will be filing a petition with the FCC requesting a 90-day extension of the February 6th deadline. If the petition is granted, the Commission will wait until this proceeding is complete before filing any recommendations with the FCC. If, however, the petition is not granted, the Commission may be required to file recommendations/comments on February 6th. In such event, the Commission's comments will not be dispositive of the issues in this case. In addition, the parties will be given an opportunity file written comments on the content of such a recommendation.

**Extension of the Case Schedule**

All previous scheduling orders in this docket are now superseded by the following schedule:

To Be Determined By the Parties	Supplemental Rebuttal Testimony by Bell Atlantic
November 14, 1997	Parties' Written Questions Regarding Proposed Advisor Submissions
December 2, 1997	Technical Conference
December 22, 1997	Written Surrebuttal by AT&T Written Comments by All Parties on Advisors' Submissions
January 7, 1998	All Discovery Must Be Complete <sup>1</sup>
January 12, 1998	Parties File Joint Witness Schedule and Individual Pre-Hearing Memoranda and Exhibit Lists <sup>2</sup>
January 16, 1998	All Evidentiary Objections Due <sup>3</sup>
January 20-23, 1998	Hearings
February 12, 1998	Opening Briefs
February 24, 1998	Reply Briefs
March 20, 1998	Hearing Examiners' Report
March 30, 1998	Exceptions to Hearing Examiners' Report
April 6, 1998	Deliberations

#### **Staff Record Submissions**

At the conference, there was a discussion regarding the record submissions which the Advisory Staff has and will be making in this

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<sup>1</sup> The parties are directed to reach an agreement regarding the subject matter and timing of discovery which is conducted in the interim.

<sup>2</sup> See Procedural Order of October 6, 1997, for the specific requirements relating to the Pre-Hearing Memoranda.

<sup>3</sup> See Procedural Order of October 6, 1997.

proceeding.<sup>4</sup> The Hearing Examiners informed the parties that they would have an opportunity to both submit written questions to the Advisory Staff, including their consultant Dr. Gabel, as well as ask the relevant Advisor questions during a technical conference regarding the materials that will be submitted into the record. Several parties raised concerns regarding the "fairness" of allowing Advisors to submit materials into the record as well as assist the Commission with drafting a final decision. Staff noted the parties concerns but stated that no additional "process" (i.e., cross-examination, depositions), other than that which has been built into the schedule, would be allowed.

**Any party which objects to the procedure set forth above must file written comments setting forth the basis for any such objections no later than FRIDAY, NOVEMBER 7, 1997.**

### **Discovery**

Pursuant to the Procedural Order of October 16, 1997, both AT&T and Bell Atlantic filed motions to compel outstanding discovery responses. Before addressing the specific motions, the Hearing Examiner made several general rulings. First, the parties are **again** reminded that all objections to data requests must be timely filed and must state with specificity the grounds for objection. **Objections which are filed out of time or which are not specific will be deemed waived.**

Second, during the teleconference which was held on October 17, 1997, relating to Bell Atlantic's Motion for a Continuance, the Hearing Examiner ruled that Bell Atlantic could not propound the additional data requests which it had attached to its Motion. The October 17th ruling is hereby reversed and Bell Atlantic may propound the requests.

Third, in response to several data requests by Bell Atlantic<sup>5</sup>, AT&T filed objections stating that requests relating to the differences between Hatfield Model 3.1 and 4.0 were irrelevant to this proceeding and/or that supporting materials were unavailable. Bell Atlantic, in its Motion to Compel, represented that materials requested in this proceeding had been filed in other jurisdictions. **For the purposes of**

<sup>4</sup> In our October 16th Procedural Order in this case, we stated that Staff would be using the data submitted by Dr. Gabel to verify and validate the costs submitted by the parties. As a point of clarification, the Commission may also use and rely upon the information contained in the submissions as they see fit in reaching a just and reasonable decision in this matter.

<sup>5</sup> NYNEX-ATT Data Requests 1-2, 1-3, 1-4, 1-5, 1-7, 1-9, 1-11, 1-14, 1-19, and 1-30.

this proceeding, discovery requests relating to the difference between Hatfield Model 3.1 and 4.0 are relevant. Further, any materials provided in other jurisdictions should be provided here unless subject to protective order, in which case a copy of the protective order must be provided to the Hearing Examiners no later than OCTOBER 31, 1997.

With regard to certain data requests which neither party has fully answered<sup>6</sup> and which are the subject of prior rulings, the Hearing Examiner directed the parties to reach an agreement regarding the time of production as soon as possible. **Any further objections or motions to compel relating to these data requests must be filed by NOVEMBER 7, 1997.**

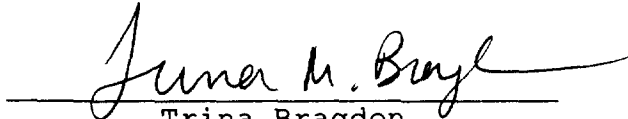
With regard to each parties' objections to certain data requests<sup>7</sup> on the grounds that the information requested is subject to third-party proprietary agreements, the Hearing Examiner directed the parties to either **reach an agreement regarding additional protections for the disclosure of such materials OR file copies of the third-party agreements no later than OCTOBER 31, 1997.**

Dated at Augusta, Maine, this 28th day of October, 1997.

BY ORDER OF THE HEARING EXAMINERS



Charles Cohen



Trina Bragdon

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<sup>6</sup> AT&T-NYNEX Data Request 1-43, 6-8, and 6-9 and NYNEX-AT&T Data Request 2-26, 2-31, 2-34, 3-41, and 3-44.

<sup>7</sup> AT&T-NYNEX Data Request 3-32 and NYNEX-AT&T Data Request 1-6, 1-7, 1-8, 1-10 and 1-12.



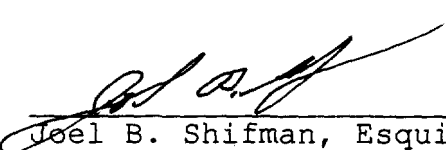
**BEFORE THE FEDERAL COMMUNICATIONS COMMISSION**

**WASHINGTON, D.C. 20554**

In the Matter of	)	
	)	CC Docket No. 96-45
Federal-State Joint Board on	)	
Universal Service	)	
	)	

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and correct copy of the Motion of the Maine Public Utilities Commission for an Extension of Time for filing Forward-Looking Economic Cost Studies has been furnished to the parties on the attached service list this 30th day of October, 1997.

  
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